



THE CITY OF SAN DIEGO
MANAGER'S REPORT

DATE ISSUED: October 6, 2004 REPORT NO. 04-216

ATTENTION: Honorable Mayor and City Council
Docket of October 11, 2004

SUBJECT: Cox-Com Inc. Technology Fund Expenditure

REFERENCE: Ordinance No. 19058, May 14, 2002

SUMMARY

Issue - Should the City Council authorize the second expenditure of the Cox-Com Technology Capital Grant Fund as specified under Ordinance Number 0-19058.

Manager's Recommendation - Approve expenditure.

Other Recommendations - None.

Fiscal Impact – The 1.5 million in identified expenditures is fully funded through the Technology Grant Fund.

BACKGROUND

On May 14, 2002, the City Council approved Ordinance Number 0-19058 extending the Cox Communications (Cox-Com Inc.) cable television franchise an additional ten years through 2019. Under the terms of the Cox Communications franchise extension, the company has provide the City two payments of one-million five-hundred thousand dollars that have been placed in a special revenue Cox-Com Inc. Technology Fund for appropriation as indicated in the Cable Television Franchise. The Technology Fund is to be utilized for "the purchase and installation of telecommunications capital improvements, equipment, and services" for government access technology, dedicated digital channel activation, and affiliated telecommunications equipment.

Council authorization is required for the expenditure of funding under the Cox-Com Inc. Technology Fund. The first appropriation was granted by the City Council on November 25, 2002 under Resolution 297380. The attached Resolution seeks the approval of the second appropriation.

DISCUSSION

The Departments of Information Technology & Communications and Public and Media Affairs have utilized the initial grant expenditure to fund major upgrades to the City's television and web streaming coverage capabilities and to establish a digital cable television channel for exclusive use by the Fire and Police Departments for training purposes. The second appropriated \$1.5 million in funding will be used to establish live telecast and television production capabilities for the new main library, additional equipment for the Police/Fire digital training channel, a City Administration Building press conference facility, and other production uses consistent with the Cable Franchise and the federal Cable Communications Policy Act. These initial projects are estimated to cost \$507,000. The remaining funds will be used as ongoing capital equipment replacement and upgrade costs associated with government access television through the year 2019 to relieve the need to seek capital funding from the City's General Fund.

ALTERNATIVE

Do not approve grant expenditure

Respectfully submitted,

Rey Arellano
Deputy City Manager & Chief Information Officer

ARELLANO/MSJ

Note: The attachment is not available in electronic format. A copy for review is available in the Office of the City Clerk.

Attachments: Resolution 297380, Adopted November 25, 2002